

# Lien Holder Processing FAQ's

## Dealer and Agent Section Agent Partnership Unit



### Contents

- Part 1 – General Lien holder information..... 4
  - Who can be a lien holder? ..... 4
  - What is mandatory lien processing? ..... 5
  - How will I know if my lending institution added more than 48 liens last year? ..... 5
  - Where can my lending institution get information regarding the electronic processing options available?..... 5
  - What is an exempt transaction?..... 5
  - How will a secured party know which transactions are exempt? ..... 5

Why do some title numbers begin with S?.....	5
How will I receive my title?.....	6
How can an owner or other party track the issuance of the title? .....	6
How can I verify my lien is on the record if no lien confirmations will be generated on S title numbers? .....	6
What is ELT?.....	6
Is ELT mandatory?.....	6
How are titles delivered?.....	6
What is the difference between paper titles and electronic title records? .....	7
How do I join the ELT program to receive electronic title records instead of paper titles?.....	7
Who supports ELT? .....	7
Title to Lien Holder Changes.....	7
Wisconsin DOT (WisDOT) never gave a ranking to a lien holder in the past; does this change under the new law?.....	7
When is a title containing a lien listed BEFORE July 30, 2012, sent to a lien holder? .....	7
Who can release liens on vehicle titles?.....	7
What is a secured party required to send an owner when a lien is released? .....	8
How does title to lien holder affect processing capabilities for lenders, dealers, auction houses, etc.? ...	8
Who should lien holders contact if they are experiencing difficulty in receiving their titles, either in the current paper format or as an electronic record? .....	8
How long does a lender have when a lien has been paid off before they must release the title to the owner or other requested party?.....	9
Who should customer contact if the lender is not releasing their title upon payment of the loan? .....	9
‘Mail To...’ Information .....	9
What is the ‘Mail To...’ option on the Lien Release screen to be used for? .....	9
Where does the ‘Mail To...’ option fall in the address rules used by WisDOT? .....	9
Are there limitations to the ‘Mail To...’ option? .....	9
What are the advantages of using the ‘Mail To...’ option? .....	10
Is a ‘Mail To...’ address checked for accuracy? .....	10
How often is a ‘Mail To...’ address used? .....	10
Printing Electronic Title – (Converting an electronic title to a paper title without releasing the lien) .....	10
What is the process for a lender who received a title electronically to get a paper title issued? .....	10

Who can request a paper title? .....	10
If the ‘Mail To...’ information is not entered by the service provider when the print-title task is processed, where will the title be delivered? .....	10
If a ‘Mail To...’ address is entered and the title hasn’t printed yet, can this be changed? If so, how? ....	11
Which service providers can process ad-hoc print title tasks and for whom? .....	11
Can a print-title task be done if there are subsequent lien holders? .....	11
Will the delivery method be listed on inquiry? .....	11
If a lien holder received a paper title by using a print electronic title task, can they release their lien electronically and produce a new (clear) title? .....	11
Can a print title task be processed if incidents, notations or suspensions are on a record? .....	12
Part 2 – Processing your application .....	12
What should we do with the current paper title after the lien has been paid off? .....	12
Will any secured parties be prohibited from processing electronically? .....	12
What additional fees do secured parties pay if DMV processes the transaction? Can the fee be passed on to the customer? .....	12
How will the additional processing fee and surcharge fees be disclosed on the MV1 application? .....	13
What is the difference between the \$5 or \$25 processing fee and the \$19.50 Automated Processing Partnership System (APPS) fee that appears on the MV1? .....	13
What if a secured party makes an error when processing a transaction? .....	13
When do I mail in paperwork? .....	13
What completed paperwork do I need to mail to DMV? .....	14
How do I know an application is complete in eMV Agent? .....	14
What are the yellow mailing labels used for? .....	14
Why do some title numbers begin with S? .....	14
Why did I receive a missing paperwork letter? .....	14
How do I locate missing paperwork in my files? .....	15
Can I add a lien without having a Wisconsin title printed? .....	15
How are odometers disclosed on vehicle sales when the title is not available because the title is being held by the lien holder? .....	15
What is the MV2690 Power of Attorney form? .....	15
How does ELT affect the issuance of replacement titles? .....	15
Who can request a replacement title? .....	15

Who can apply for a replacement title once the lien has been released? .....	16
How many days must pass before a replacement can be applied for/issued? .....	16
Who can process repossession applications with the change in the law? .....	16
Who has the right to repossess the vehicle if there is more than one lien holder on the title record and the first lien holder is holding the title either electronic or paper? .....	16
Appendix .....	17
User manuals .....	17
eMV Agent Manual .....	17
Dealer Track Agent Manual .....	17
CVR Agent Manual .....	17
Acronyms .....	17

## Part 1 – General Lien holder information

### Who can be a lien holder?

Anyone can be a lien holder, whether they are an individual or a business. The same person or entity cannot be both an owner and a lien holder on the same title, however. All lien holders are assigned a secured party number by the Research and Information Unit. Research and Information can be reached at (608) 266-1466.

## **What is mandatory lien processing?**

Effective July 1, 2010, non-individual secured parties are required to electronically process stand-alone lien perfections and releases that are not part of a title transaction (no change of ownership), unless the transaction is exempt or the secured party added 48 or fewer liens in the previous calendar year. The secured party is required to pay a fee (Click [here](#) for more info) and, in some cases, an additional surcharge for each application it requests DMV to process.

## **How will I know if my lending institution added more than 48 liens last year?**

DMV will send a letter to the address on record for lenders that added more than 48 liens the previous year.

## **Where can my lending institution get information regarding the electronic processing options available?**

Information on each processing option available to you can be found on our website: [Electronic Processing Options](#)

## **What is an exempt transaction?**

A transaction is exempt if it involves a transfer of ownership, if the secured party is unable to process due to incidents associated with processing (incomplete titles, etc.), or if technology limitations do not allow the secured party to electronically process.

## **How will a secured party know which transactions are exempt?**

The Mail to DOT form (MV2132) lists several common incidents or technology limitations. This form should accompany all applications mailed to DMV for manual processing. Vendor system help desks will have a list of exempt transactions. Additionally, DMV recommends sending your customer a paper lien release if you are unable to process the transaction electronically.

## **Why do some title numbers begin with S?**

As of July 1, 2010, an S title number (sample: S0182A001001-9) is issued when a lien add transaction is completed electronically by the secured party. Per Statute 342.245 and Trans Rule 148, the secured party shall destroy the previous title that was provided by the

customer after sixty days. The previous title and application will not be imaged. No lien confirmations will be generated from electronic lien transactions that result in an S title number being issued.

## **How will I receive my title?**

### **How can an owner or other party track the issuance of the title?**

The free online application, [Where's my title?](#), on WisDOT's website allows for easy tracking of a Wisconsin title.

### **How can I verify my lien is on the record if no lien confirmations will be generated on S title numbers?**

You may use the Inquiry function on your electronic title processing system (CVR, eMV Agent, DealerTrack), or use WisDOT's [lien look-up](#) program. The receipt that is generated is proof the lien was added to the new title record.

### **What is ELT?**

Electronic lien title (ELT) is an option for lenders who would like to receive electronic title records instead of paper titles. Lenders contract with a service provider that warehouses the electronic title records and provides support services.

### **Is ELT mandatory?**

No. Electronic processing – adding and releasing liens via an electronic system such as eMV Agent, Dealertrack aka triVIN, or CVR – is mandated by law. However, receiving electronic title records through the ELT program is a separate process that is completely optional.

### **How are titles delivered?**

Paper titles will be delivered twice a week via first class mail to the address listed for the secured party. Electronic titles are also delivered twice weekly to the service providers.

## **What is the difference between paper titles and electronic title records?**

Paper titles will continue to be produced in the current format; electronic title records contain all of the information that appears on a Wisconsin title, delivered to an electronic service provider that then relays the title record to the lien holder.

## **How do I join the ELT program to receive electronic title records instead of paper titles?**

Contact one of our approved [electronic service providers](#). You do not need a new secured party number to join, but you will need to know your current secured party number.

## **Who supports ELT?**

The Electronic Lien Title program is supported by the Agent Partnership Unit (APU). APU can be contacted directly for any issues you are experiencing with your electronic service provider at (608) 266-3566 or [AgentPartnershipUnit@dot.wi.gov](mailto:AgentPartnershipUnit@dot.wi.gov).

## **Title to Lien Holder Changes**

### **Wisconsin DOT (WisDOT) never gave a ranking to a lien holder in the past; does this change under the new law?**

The department still does not “rank” lien holders. Liens are listed on the vehicle title/record in the order the lien was listed by date. This order is used solely for delivery of the title and does not change the rights of any lien holder.

### **When is a title containing a lien listed BEFORE July 30, 2012, sent to a lien holder?**

A title with a lien listed prior to July 30, 2012, will be sent to a lien holder only if a new lien is added on or after July 30, 2012, or if the vehicle owner gets a replacement title.

### **Who can release liens on vehicle titles?**

Any lien holder listed on a title (vehicle) can release their own lien. DMV staff can release a lien with a proper lien release. DMV agents and dealers can also release liens, when processing a title transfer, with the proper documentation.

## **What is a secured party required to send an owner when a lien is released?**

Statute 342.22(1)(b) states that the secured party shall deliver to the owner a notice stating that the release has been provided to the department. A letter on letterhead or a printed copy of the system-generated confirmation that the lien was removed from Wisconsin DOT records are acceptable notices. If the title was held by the lien holder (after July 30, 2012), DOT will issue and mail a new title within 7 days of the lien being satisfied. If lien was listed before July 30, 2012, customers received the title and must submit that title with the lien release or the system-generated confirmation.

## **How does title to lien holder affect processing capabilities for lenders, dealers, auction houses, etc.?**

When customers trade in a vehicle to a Wisconsin dealer, the dealer will be able to sell the vehicle retail to a new customer before receiving the original title *if the following apply*:

- The lien holder is holding the title
- The dealership has documentation that they have paid off the lien
- The dealership has an electronic inquiry print of the title record and an MV2690 Power of Attorney Vehicle Odometer Disclosure and Transfer of Ownership form signed by the trade-in customer
- The vehicle is being taken in trade by the dealership

This will allow the dealer to offer the vehicle only for retail sale. If the dealer is wholesaling or dealer-trading the vehicle, they must wait until they have the title in hand. Auction houses should wait to take the vehicle in with the title. All other lenders will need the original title in hand to process.

## **Who should lien holders contact if they are experiencing difficulty in receiving their titles, either in the current paper format or as an electronic record?**

Lien holders that receive titles in a paper format should contact the Research and Information Unit to ensure the right address is listed for the secured party number being used by the lien holder; (608) 266-1466 or [DOTVRI@dot.wi.gov](mailto:DOTVRI@dot.wi.gov).

Lien holders that receive titles in an electronic format should contact the Agent Partnership Unit (APU) who will work with the lien holder and service provider to find the problem preventing delivery; (608) 266-3566 or [AgentPartnershipUnit@dot.wi.gov](mailto:AgentPartnershipUnit@dot.wi.gov).

## **How long does a lender have when a lien has been paid off before they must release the title to the owner or other requested party?**

Once the lender has received the payoff amount bringing the balance of the loan to zero, by Statute 342.22, they have up to 30 days to clear their lien and release the title to the owner of the vehicle or within 10 days upon written request.

## **Who should customer contact if the lender is not releasing their title upon payment of the loan?**

Customer should contact the Agent Partnership Unit (APU) at (608) 266-3566 or email [AgentPartnershipUnit@dot.wi.gov](mailto:AgentPartnershipUnit@dot.wi.gov).

## **'Mail To...' Information**

### **What is the 'Mail To...' option on the Lien Release screen to be used for?**

The 'Mail To...' option allows lenders to enter a one-time mailing address to a specific title product to have the title delivered to someone other than the owner or lien holder listed on the title (see "limitations" below). The product owner (lien holder or vehicle owner) must request the special address.

EXAMPLE: A lender may enter an address for a dealership if the vehicle was recently traded in and the dealer arranged to pay off the balance on the loan.

### **Where does the 'Mail To...' option fall in the address rules used by WisDOT?**

If a 'Mail To...' address is entered, it will be used regardless of any permanent mailing or special mailing address or the primary address.

### **Are there limitations to the 'Mail To...' option?**

Lenders will only have the ability to redirect a title when they are releasing a lien listed after July 30, 2012, provided the lien being released is the *only lien listed* on the vehicle/title. If another lien holder is listed on the title, the next lien holder (in order of date lien listed) will receive the new title. Also, the lender will not have the ability to redirect titles as part of any other title task, such as a change of ownership.

### **What are the advantages of using the 'Mail To...' option?**

'Mail to...' allows a lender to have a clear title printed and sent directly to a dealer who has taken the vehicle in on trade and paid off the loan, to another lender that is financing the vehicle, or to any other party besides the owner listed on the title. This speeds up and streamlines title delivery.

### **Is a 'Mail To...' address checked for accuracy?**

If lenders enter a 'Mail To...' address through a service provider, the service provider's software will verify the address. The "Mail To..." address is not accepted unless it is a complete address.

### **How often is a 'Mail To...' address used?**

A 'Mail To...' address is a one-time address only for a title mailing, and cannot be used when the title is mailed in tandem with plates and registration.

## **Printing Electronic Title – (Converting an electronic title to a paper title without releasing the lien)**

### **What is the process for a lender who received a title electronically to get a paper title issued?**

A lender who received a title electronically would need to make a request to their service provider. A paper title will then be issued at no cost and delivered to the lender or other party if requested by the lender.

### **Who can request a paper title?**

Only the electronic lien holder that holds the title record can request a paper title. Subsequent lien holders cannot. The primary lien holder controls the title and can send the title where they want until their interest in the vehicle is released.

### **If the 'Mail To...' information is not entered by the service provider when the print-title task is processed, where will the title be delivered?**

If 'Mail To...' information is not entered, the title will be delivered to the primary owner.

### **If a 'Mail To...' address is entered and the title hasn't printed yet, can this be changed? If so, how?**

Yes, addresses can be updated if the title has not been printed yet. Please contact the Agent Partnership Unit at (608) 266-3566 M-F, between 8-4:30, or email at [AgentPartnershipUnit@dot.wi.gov](mailto:AgentPartnershipUnit@dot.wi.gov).

### **Which service providers can process ad-hoc print title tasks and for whom?**

All service providers can process these tasks. Service providers can only process these tasks for lien holders who are their current clients. If a lender changes service providers, the service providers coordinate the transfer of title records, so that the new service provider can assist with lien releases and converting e-Titles to paper titles.

### **Can a print-title task be done if there are subsequent lien holders?**

Yes, subsequent lien holder information will not be affected and they will be notified of the new title number.

### **Will the delivery method be listed on inquiry?**

Yes, Inquiry will display something like: "Paper Title sent to Secured Party" and "Title Delivered To:" lien holder\*. This displays in Inquiry for eMV Agent, CVR, Dealertrack and online [DOT Lien Holder Search](#).

\* The "Title Delivered To:" may be different than the address displayed on inquiry for the lien holder.

### **If a lien holder received a paper title by using a print electronic title task, can they release their lien electronically and produce a new (clear) title?**

Yes, if a paper title is produced for a lien holder they can release their lien electronically. However, they cannot release the lien through the service provider; they must use software such as eMV Agent, CVR, or Dealertrack aka triVIN. If no other lien holders exist, a clear title is issued and sent to the owner (or recipient specified in the 'Mail To...') when the lien holder releases their lien. ***As usual, the lien holder should destroy any paper titles upon release after 60 days only when the new title number starts with***

*an “S”(applicable to a lien add or lien release). All other paperwork should be sent in for imaging.*

### **Can a print title task be processed if incidents, notations or suspensions are on a record?**

No, print title tasks are not allowed when any incidents, notations, or suspensions that normally effect a title transaction are present. Electronic service providers will receive an error message to pass back to the lien holder, and WisDOT records are not changed.

## **Part 2 – Processing your application**

### **What should we do with the current paper title after the lien has been paid off?**

If you remove a lien electronically, you should destroy that title after 60 days. If there is a subsequent lien holder, a new title will be mailed to them in the mail. If there isn't a subsequent lien holder, your customer will receive the updated clear title in the mail. If you do not process the lien removal electronically, you should destroy that title and issue your customer a lien release document. Your customer should submit the lien release to get a clear title in their name.

### **Will any secured parties be prohibited from processing electronically?**

DMV policy allows DMV to deny a secured party the authority to process electronically if DMV has reasonable cause to conclude that the accuracy or timeliness of the security interest filings or releases performed by the secured party is insufficient. The status of these secured parties will show as “non-authorized” in DMV records. “Non-authorized” lenders will be required to pay the \$5.00 processing fee and the \$20.00 surcharge fee for each lien-add transaction completed by DMV that the lender could otherwise process on their own.

### **What additional fees do secured parties pay if DMV processes the transaction? Can the fee be passed on to the customer?**

If the transaction is exempt; i.e., the lender cannot process electronically due to holds or technology limitations, there is no additional charge.

If a low volume secured party (a secured party that added 48 or fewer liens per calendar year) has DMV process a non-exempt transaction, there is a \$5 processing fee in addition to any counter fee that may apply. The \$5 processing fee may be passed on to the customer.

If a secured party with more than 48 lien-adds per calendar year has DMV process a non-exempt transaction, there is a \$5 processing fee plus a \$20 surcharge fee due, in addition to any counter fee that may apply. The \$20 surcharge fee may not be passed on to the customer. The \$5 processing fee or \$25 processing fee/surcharge fee is in addition to any required counter services fees.

### **How will the additional processing fee and surcharge fees be disclosed on the MV1 application?**

Section D under “Miscellaneous Fees/Processing Fee” of the [MV1](#) application has been revised to include instructions on the MV1 that explains when a \$5, or a \$5 plus \$20, processing fee is due. Secured parties can exhaust their supply of old MV1 forms before using the revised form.

### **What is the difference between the \$5 or \$25 processing fee and the \$19.50 Automated Processing Partnership System (APPS) fee that appears on the MV1?**

The \$5 or \$25 is the fee due to DMV for manual processing of the transaction. The \$19.50 APPS service fee is a fee that the customer pays to a secured party that completes their transaction via a private vendor processing system (CVR or DealerTrack). There is no service fee charged to the customer when an application is processed through eMV Agent.

### **What if a secured party makes an error when processing a transaction?**

If the error is discovered the same day, the secured party may reset the transaction until 8:00 pm Central time. If the error is discovered after the day it was processed, the secured party should contact the Agent Partnership Unit (608) 266-3566.

### **When do I mail in paperwork?**

Applications and receipts for replacement title transactions, repossessions, or title transfers must be mailed to DMV for imaging the day after completion.

## **What completed paperwork do I need to mail to DMV?**

Repossessions: MV2117 and Inquiry print.

Replacement Title: MV2119 and Inquiry print.

Replacement Title with Lien Add: MV2119 and Inquiry print.

Title Transfer: MV1 or MV12, Title – Completed applications and properly assigned title.

## **How do I know an application is complete in eMV Agent?**

Completed receipts print with four heavy black bars at the top, with the new title number on the upper right hand corner. Incomplete receipts will only show a reference number on upper right hand corner with no black bars and no new title number. Incomplete receipts are not mailed in.

## **What are the yellow mailing labels used for?**

Yellow mailing labels are used to send completed work to DMV for scanning.

Applications that produce titles that start with a “1” instead of an “S”; (for example, 14234A123001-1) for Repossessions, Replacement titles, Replacement titles with Lien Add are required to be mailed to DMV for imaging.

For mailing instructions see [Completing Yellow Mailing labels](#).

## **Why do some title numbers begin with S?**

As of July 1, 2010, an S title number (sample: S0182A001001-9) is issued when a lien add transaction is completed electronically by the secured party. Per Statute 342.245 and Trans Rule 148, the secured party shall destroy the previous title that was provided by the customer after sixty days. The previous title and application will not be imaged. No lien confirmations will be generated from electronic lien transactions that result in an S title number being issued.

## **Why did I receive a missing paperwork letter?**

DMV did not receive the required paperwork for the title numbers listed on the letter.

### **How do I locate missing paperwork in my files?**

Title numbers can be searched using the bundle report on your processing system to obtain customer names and VIN numbers.

### **Can I add a lien without having a Wisconsin title printed?**

No, a lien holder must have a Wisconsin title in hand before they can process the transaction.

### **How are odometers disclosed on vehicle sales when the title is not available because the title is being held by the lien holder?**

Lenders may use an MV2488 Vehicle Transfer and Odometer Mileage Statement form for private sales (which will need to be submitted with the title upon receipt from the lien holder) or an MV2690 Power of Attorney Vehicle Odometer Disclosure and Transfer of Ownership form. Dealers will use the MV2690 Power of Attorney Vehicle Odometer Disclosure and Transfer of Ownership form. Lien holders that choose to use **only** the MV2690 form would assign title for the seller and also have the buyer/customer sign the title as the purchaser.

### **What is the MV2690 Power of Attorney form?**

This form is used when the seller's title is held by a lien holder granting you, the agent, authority to complete the title (including the odometer statement) for the seller when received. The MV2690 Power of Attorney form must be ordered from a DMV approved vendor. [Form Vendors](#)

### **How does ELT affect the issuance of replacement titles?**

A replacement title *cannot* be issued for an electronic title. If the electronic title was not received between 10-60 days after original issuance due to delivery problems, the lien holder should contact their service provider. Lien holders who have not received a title after 60 days of original issuance should contact the Agent Partnership Unit (APU), (608) 266-3566 or [AgentPartnershipUnit@dot.wi.gov](mailto:AgentPartnershipUnit@dot.wi.gov) .

### **Who can request a replacement title?**

A replacement title can be requested by the owner of a vehicle without any liens on record or if any lien was listed before July 30, 2012. For liens listed after July 30, 2012, only the first lien holder can request a replacement title for the vehicle, *if the title was issued in paper*. If the title was issued electronically, the lender will need to contact their service provider for assistance.

### **Who can apply for a replacement title once the lien has been released?**

The owner or next lien holder listed on the title (if applicable) can apply for a replacement title if the title issued after the previous lien was released was lost, stolen or mutilated. A new lien holder can also replace a lost title and add their lien at the same time.

### **How many days must pass before a replacement can be applied for/issued?**

Ten days must pass before a replacement title can be issued. If the original title was not received by mail within 10-60 days from original issuance a free replacement title can be issued. Lien holders requesting a title after 60 days of original issuance must submit a MV2119 Replacement Title application and \$20 replacement title fee either through the mail or at a DMV Service Center. DMV Service Centers charge an additional \$5.00 counter service fee for each title application that they process.

### **Who can process repossession applications with the change in the law?**

There has been no change in the way repossessions will be processed. All lien holders continue to have the same rights to repossess vehicles as they had before the law changed. All third party processors will continue to have the ability to process repossessions regardless of whether the title was delivered to the owner or lien holder and regardless of whether the title was a paper or electronic title.

### **Who has the right to repossess the vehicle if there is more than one lien holder on the title record and the first lien holder is holding the title either electronic or paper?**

Any lien holder that is listed on the record continues to have equal rights to repossess the vehicle with the MV2117 Repossession Application, notification to other lien holders, etc., as long as they are in accordance with the statutes listed on the MV2117.

## Appendix

### User manuals

[eMV Agent Manual](#)

[Dealer Track Agent Manual](#)

[CVR Agent Manual](#)

### Acronyms

APPS – Automated Processing Partnership System

APU – Agent Partnership Unit

DMV – Department of Motor Vehicles

DOT – Department of Transportation

VIN – Vehicle Identification Number

WisDOT – Wisconsin Department of Transportation

**If questions please call the Agent Partnership Unit at:**

**608-266-3566 Available M-F 8-4:30**